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SUBJECT: AMBASSADOR'S VISIT TO NOVA SCOTIA: SECURITY, ECONOMY, ENVIRONMENT FILL THE AGENDA

REF: HALIFAX 349

[11](#). SUMMARY: Ambassador's visit to Nova Scotia October 9 - 14 was useful in reinforcing a traditionally good relationship between the province and the U.S., as well as dispelling misperceptions about U.S. energy, environmental and foreign policy. Primary topics of discussion were security, economic and environmental issues. END SUMMARY.

[12](#). Ambassador and Mrs. Cellucci visited Nova Scotia October 9 - [14](#). The trip took them from Halifax to Cape Breton, and provided the opportunity to raise security, trade and environmental issues with a wide range of interlocutors.

HALIFAX

[13](#). CANADIAN NAVY -- Vice-Admiral Glenn Davidson, commander of Canada's Maritime Forces Atlantic (MARLANT) briefed the Ambassador on MARLANT's role and force structure, stressing the Canadian Navy's close association with the U.S. Navy and its desire to continue to assist in the war against terrorism and to provide unique capabilities such as diesel-electric submarines for joint exercises. Ambassador said that he would continue to call for the defense spending necessary for maximum interoperability among U.S. and Canadian forces. He toured the Command's operations center, as well as the joint Navy/Coast Guard/Air Force search and rescue operations center which handles over 2,000 distress calls annually. Ambassador also had the opportunity to watch a number of defensive drills on the frigate HMCS TORONTO during a tour of the vessel by its captain.

[14](#). PREMIER HAMM -- Nova Scotia's Premier John Hamm briefed the Ambassador on damage caused by Hurricane Juan, noting with appreciation that the governor of Maine had called to offer any help necessary. Hamm said that he hoped the Prime Minister would agree to provide additional funding for disaster relief. He asked what could be done at a regional level to improve U.S. - Canadian relations. The Ambassador stressed the need to take security issues seriously, citing the positive example of the Port of Halifax (reftel). On energy issues, Premier Hamm said he had heard that EnCana was having "some success" in exploratory drilling, and that he hoped this would help the Deep Panuke project go forward. He also said that he would join other premiers on a Team Atlantic trade mission to Washington November 2 - 6.

[15](#). ENERGY CONFERENCE SPEECH -- The Ambassador delivered the keynote speech at the Onshore/Offshore Technologies Association of Nova Scotia (OTANS) energy conference. His remarks focused on U.S. energy and environmental policies, stressing the need to correct misperceptions about both.

[16](#). STUDENT Q&A -- Dalhousie University students turned out in large numbers to hear the Ambassador speak and answer questions about U.S. policy. The students were respectful but critical in their questioning and the Ambassador was able to address effectively issues such as U.S.-Canada differences on Iraq policy, the Arar case, and the gap in perception of security threats between the U.S. and some in Canada.

[17](#). HALIFAX AIRPORT -- Halifax International Airport Authority President Reg Milley and Chairman Bernie Miller hosted a dinner for the Ambassador. Preclearance for Halifax was of course on the menu, and Milley described HIAA's efforts to address concerns posed by Bangor, Maine, and its lobbyist in Washington, including indemnifying Bangor for lost business and renouncing any intention of seeking in-transit preclearance for Halifax. According to Milley, Bangor was beginning to accept HIAA's argument that preclearance could actually be beneficial to Bangor because of increased regional traffic.

CAPE BRETON

[18](#). Many of the Ambassador's interlocutors in Cape Breton stressed the efforts being made to recover from the economically disastrous loss of the coal and steel industries, as well as the collapse of groundfish stocks. Preservation -- of language, culture and the environment -- was also a recurrent theme.

[19](#). ISLE MADAME -- On Isle Madame the Ambassador met with a number of local businesspeople, educators and community activists to get a sense of how this primarily French-speaking

area was faring in the face of economic changes. The picture that emerged -- in meetings with a cranberry producer, a boat builder, seafood processors, the director of the local branch of the College de l'Acadie, and others -- was one of resilience in the face of the loss of traditional livelihoods.

110. Fishermen and onshore processors have switched from cod to crab, and while overall employment in the fishery is down, the value of the catch is greater now than the early 1990s. Native fishermen have become significant players in the industry in the wake of the Supreme Court's Marshall decision, and they are now buying boats and other equipment from local manufacturers. One such boat builder, Daryl David of Samson Enterprises in Arichat, told us that his firm had entered into a partnership with a local community to use land and a wharf formerly occupied by a fish processor that had closed its doors after the collapse of the fishery. The new Samson facility allows the firm to build larger multispecies vessels and local Mi'kmaq fishermen are among the major customers for Samson's boats. Several interlocutors told us that the longstanding integration of the Francophone, Anglophone and native communities meant that there had been less friction over the fishery than in New Brunswick.

111. CULTURAL PRESERVATION -- Both the Acadian and Scottish communities were seeking to preserve culture and traditions, with notable success. French language education and culture were maintained at institutions like the Centre La Picasse in Petit-de-Grat where the Ambassador attended a performance featuring local musicians and dancers. Gaelic is still spoken in some sections of Cape Breton, and organizations like the Highland Village and the recently established Gaelic College seek to preserve that tradition.

112. BRAS D'OR LAKES ECOLOGY -- Ambassador received an extensive briefing from a local marine biologist on the unique ecology of the world's largest inland sea, the Bras d'Or Lakes. Local residents described plans to seek a UNESCO Biosphere Reserve designation for a portion of the lakes known as the St. Andrew's Channel and to build and endow a marine research center on the lakes. They also expressed concerns about seismic exploration going on in the region, noting that energy exploration or production in the lakes themselves could damage a fragile ecosystem.

113. Both Francophone and Anglophone communities saw education as key to moving the island's economy in new directions now that traditional sources of jobs had disappeared. The College de l'Acadie and the University College of Cape Breton both offer innovative programs and distance education to provide Cape Bretoners with skills and knowledge necessary to succeed in the modern economy.

COMMENT

114. The visit was useful in multiple respects, including dispelling misperceptions about USG energy, environmental and foreign policy in well-attended public fora. The trip has generated favorable comments from Nova Scotians, particularly among the Acadian community, and has helped to reaffirm strong U.S.-Canadian ties in a region where people tend to view the U.S. positively.

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